TonenGeneral Sekiyu K.K.
Business Strategy and 2010 Financial Results

February 15, 2011

at TSE Arrows

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- This material contains forward-looking statements based on projections and estimates that involve many variables. TonenGeneral operates in an extremely competitive business environment and in an industry characterized by rapid changes in supply-demand balance. Certain risks and uncertainties including, without limitation, general economic conditions in Japan and other countries, crude prices and the exchange rate between the yen and the U.S. dollar, could cause the Company's results to differ materially from any projections and estimates presented in this publication.
- The official language for TonenGeneral's filings with the Tokyo Stock Exchange and Japanese authorities, and for communications with our shareholders, is Japanese. We have posted English versions of some of this information on this web site. While these English versions have been prepared in good faith, TonenGeneral does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.

- Business Overview — P. P. Ducom
- 2010 Business Results and 2011 Financial Forecast — D. R. Csapo
- Q & A

Business Overview

P. P. Ducom

Representative Director, President
TonenGeneral Sekiyu K.K.

Introduction

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Successful 2010 and positioned to perform well in 2011

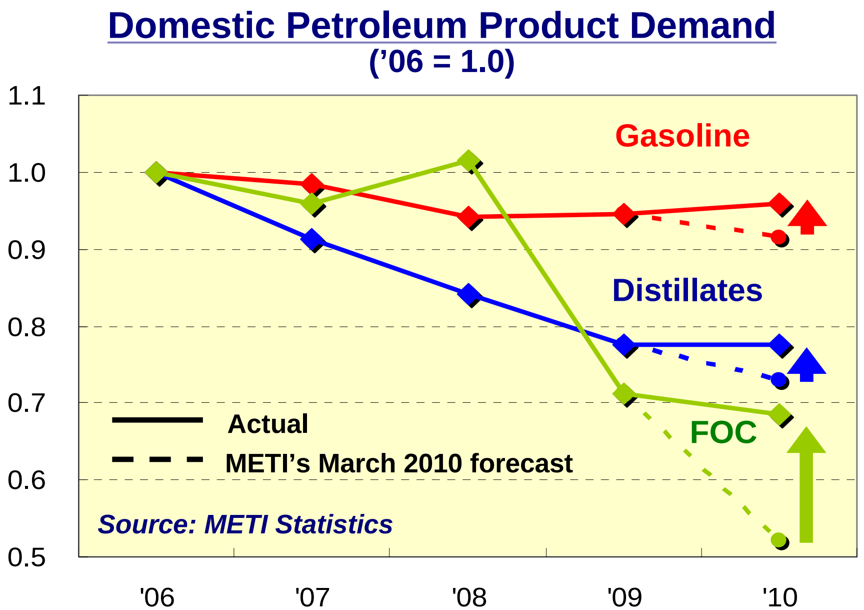
2010

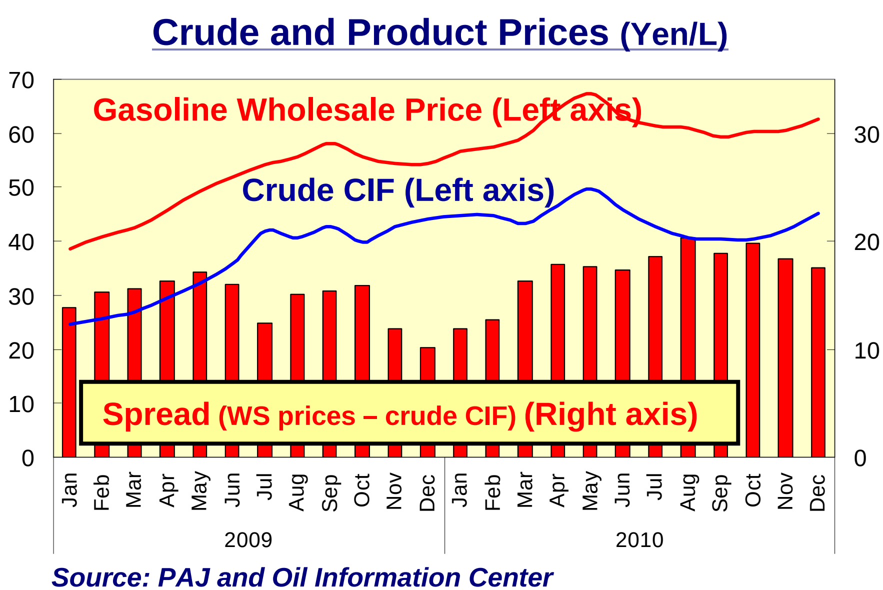
- Improved business environment
- Strong company performance and results
- Self-help a key contributor
- Successfully completed major Kawasaki Refining and Chemical turnaround
- Company well positioned to compete

2011

- AP Economic recovery/growth continuing
- Continue to focus on core strategies
- LIFO to WAC conversion
- Addressing emerging challenges

2010 Business Environment





- Modest 2010 domestic product demand growth
  - » Economic recovery
  - » Stronger demand than METI's March 2010 forecast
- Downstream margins improved from depressed 4Q09 levels
  - » Tighter supply / demand balance
  - » Product export margins recovered from early 2010
- Volatile Basic Chemical segment

2010 Safety and Environmental Performance

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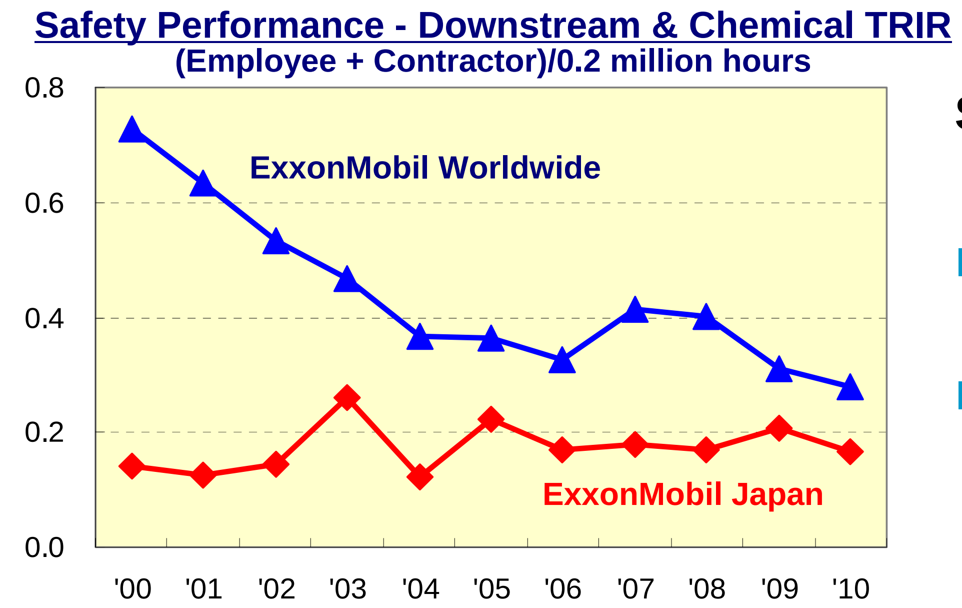
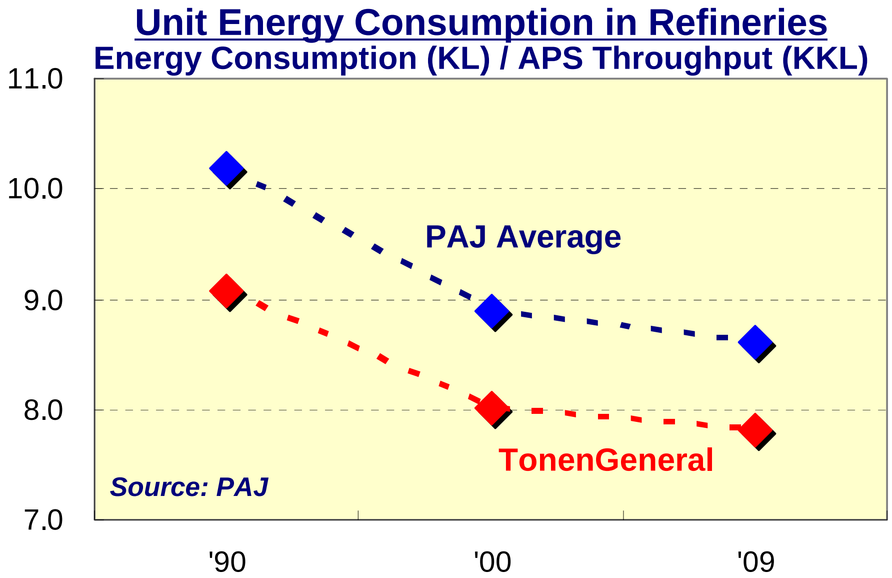


Safety:

"Nobody gets hurt"

- Robust contractor and employee safety performance
- Continued focus on and improvement of Process Safety



Environment:

"Protect Tomorrow. Today."

- Continued energy savings
- Lower unit energy consumption than competition

2010 Achievements – Oil Segment

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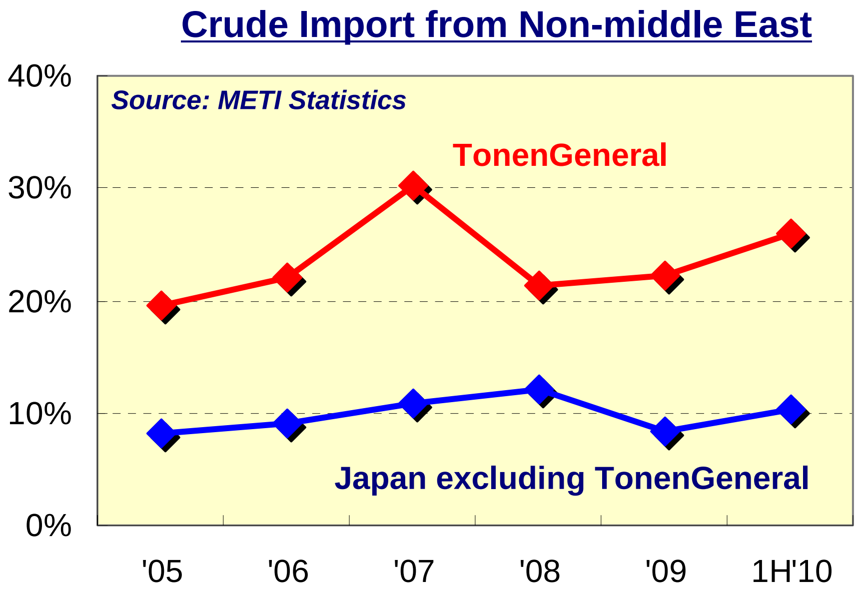
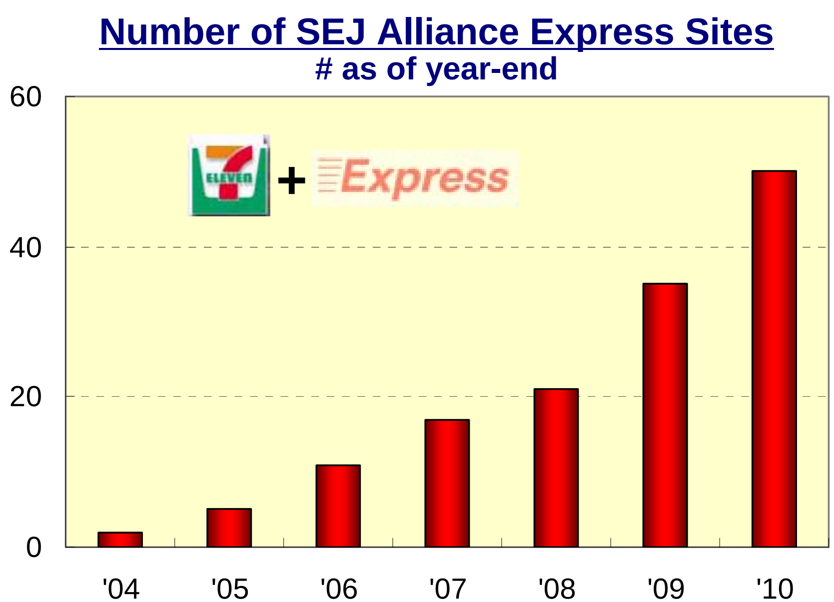




Refining & Supply

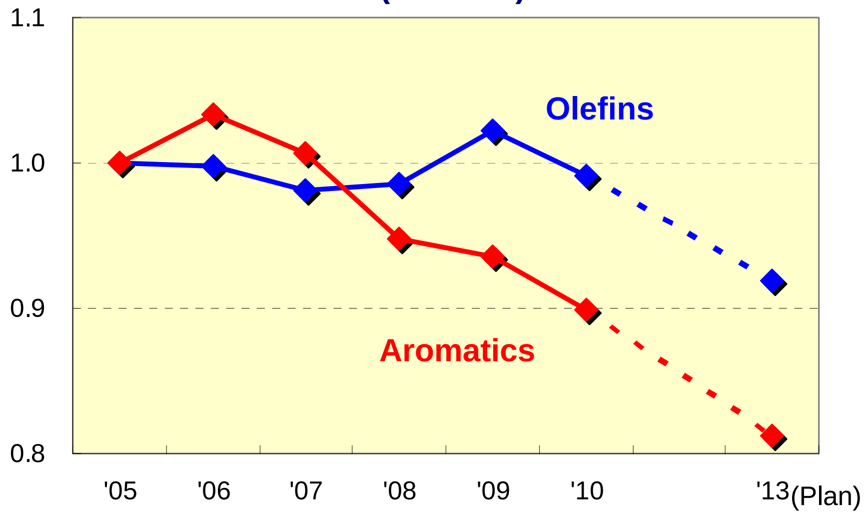
- Capitalized on ExxonMobil's global network and pursued operational efficiencies
  - Continued feedstock diversification
  - Effective utilization of secondary units
  - Channel optimization (including semi-product exports)

Fuels Marketing

- Maximized operational efficiency leveraging the "Express" brand & self serves
  - Sales through Express: 55%+ of ExxonMobil Japan group's total retail
  - Expanded exclusive alliance sites with Seven-Eleven Japan (SEJ)
  - Launched the new "Synergy Card" in July 2010

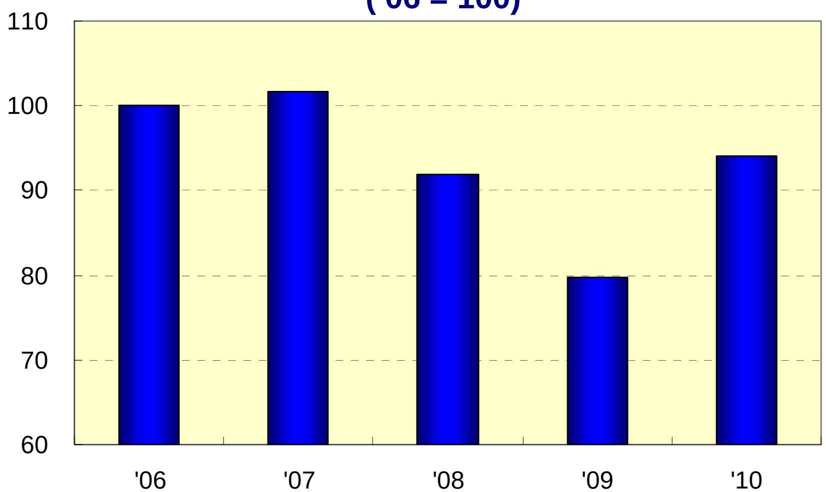
2010 Achievements – Chemical Segment

Energy Efficiency Improvement (Basic Chemicals)
('05 = 1.0)



- Further enhanced Basic Chemicals' competitiveness
  - » Refining and chemical synergies
  - » Cost reductions and energy efficiency improvements
  - » Expansion of Butane cracking capability

Specialty Chemicals Sales Volume
('06 = 100)

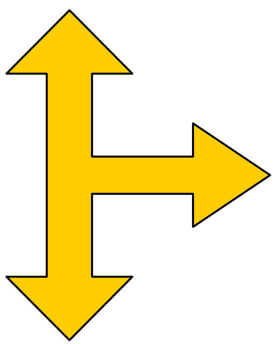


- Specialty Chemicals volumes recovering
  - » Customer focused market strategies
  - » Selective investments
- Established Battery Separator Films JV

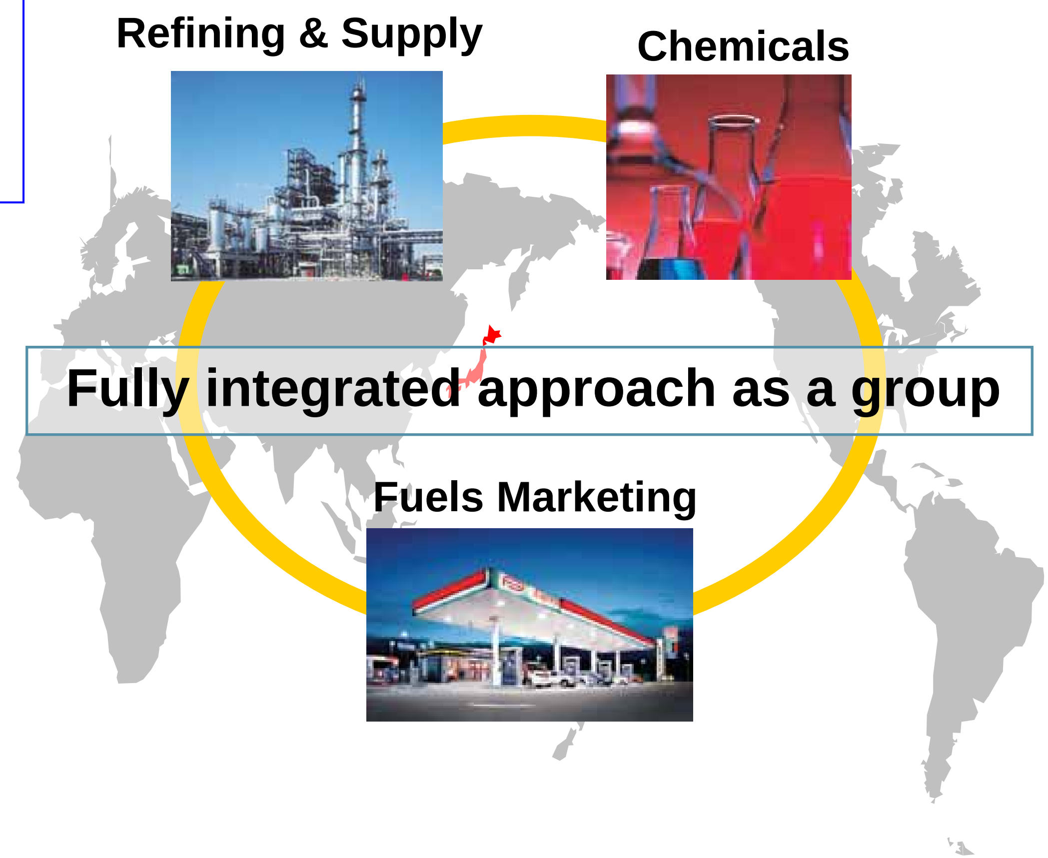
Strategies Remain Unchanged

Management Philosophy

- Ensure flawless operations
- Improve efficiency & profitability
- Increase shareholder value



Concentration on our Core Businesses



2011 Challenges & Opportunities

- LIFO to WAC conversion

- METI "Resid Conversion Ratio" regulation (2014)
  - Continue to assess compliance options

- Constantly evolving business environment
  - Price / Volume management
  - Capture export opportunities when attractive
  - Active molecule management

- Environmental Regulations
  - Energy efficiency capture
  - Mandated phase-in of biofuels (to 2017)

- Chemical growth
  - Maximize synergies with Refining and fully utilize existing capacity
  - Specialties growth opportunities

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LEAD 2011
EVOLUTION
MOVE TOGETHER

2010 Business Results and 2011 Financial Forecast

D. R. Csapo

Director
TonenGeneral Sekiyu K.K.

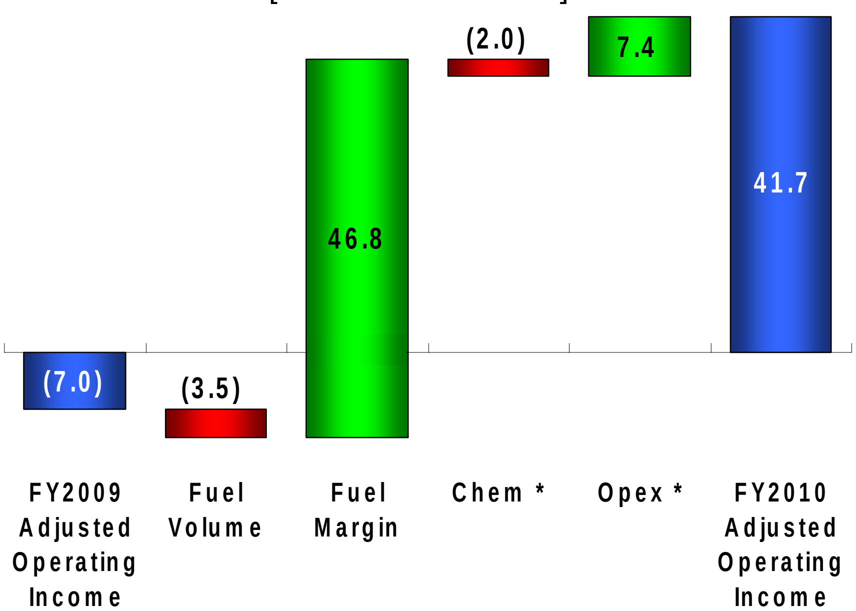
Financial Highlights

- 2010 operating income was 33.5 billion yen, improved by 68.1 billion yen from 2009 loss
- Adjusted operating income (i.e. excluding lead lag and inventory effects) was 41.7 billion yen, rose by 48.7 billion yen vs. 2009
  - » Oil helped by refining margin improvement with tighter supply / demand balance particularly in 2H10
  - » Chemical decline due to turnaround at TCC Kawasaki plant, weak / volatile Aromatics margins partially offset by some improvement in specialty chemicals
  - » Lower opex reflects decreased pension expense / self-help initiatives
- Extraordinary income primarily comes from the gain related to battery separator film (BSF) JV formation realized in 1Q10

(billion yen)	FY2009	FY2010	Inc./Dec.
Net sales	2,111.8	**2,398.7**	287.0
Operating income	-34.6	**33.5**	68.1
Ordinary income	-34.5	**37.0**	71.6
Extraordinary gain/loss	-1.6	**19.4**	21.0
Net income	-21.7	**42.9**	64.6
Reverse inventory effects	-7.4	**0.2**	7.6
Reverse lead lag effects	35.0	**8.0**	-27.0
Adjusted operating income	-7.0	**41.7**	48.7
Oil segment	-10.8	**39.7**	50.5
Chemical segment	3.8	**2.0**	-1.8

Factor Analysis of Adjusted Operating Income

[FY2010 vs. FY2009]



* Chemical margin & opex factors excludes impact of removal of BSF affiliates from consolidation

Factor Analysis of Adjusted Operating Income

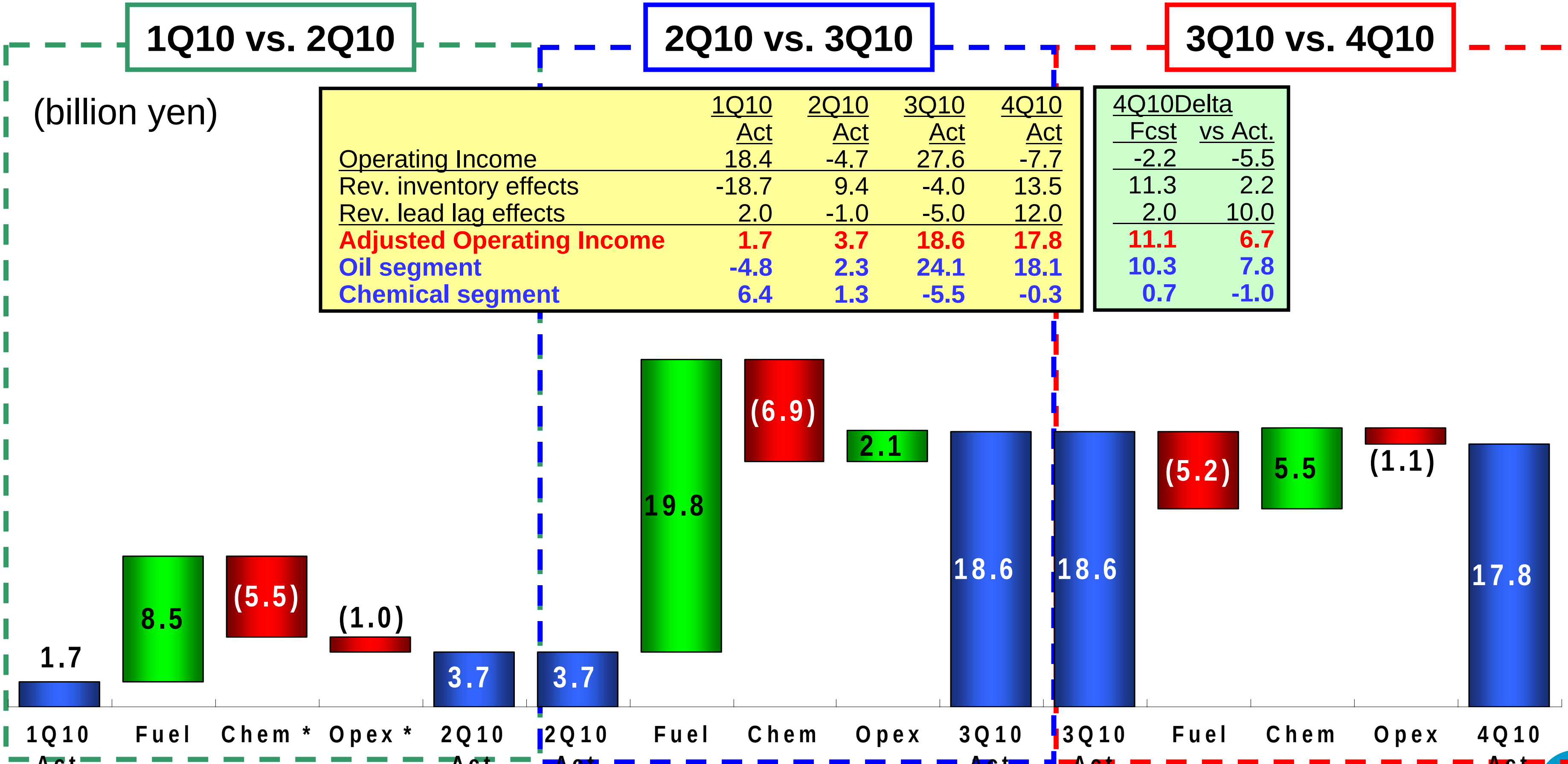
[Quarter to Quarter FY2010 Results; Consolidated]

- After consecutive quarters of improvement, refining margins weakened in 4Q, 18.1 billion yen
  4Q adjusted oil profit still well above first half of year levels
- Chemical 4Q below break-even but improved from 3Q10 due to return to normal operations after turnaround at TCC Kawasaki plant / modest recovery in still volatile Aromatics margins

(billion yen)

	1Q10 Act	2Q10 Act	3Q10 Act	4Q10 Act
Operating Income	18.4	-4.7	27.6	-7.7
Rev. inventory effects	-18.7	9.4	-4.0	13.5
Rev. lead lag effects	2.0	-1.0	-5.0	12.0
Adjusted Operating Income	**1.7**	**3.7**	**18.6**	**17.8**
Oil segment	**-4.8**	**2.3**	**24.1**	**18.1**
Chemical segment	**6.4**	**1.3**	**-5.5**	**-0.3**

4Q10Delta Fcst	4Q10Delta vs Act.
-2.2	-5.5
11.3	2.2
2.0	10.0
11.1	**6.7**
10.3	**7.8**
0.7	**-1.0**



* Chemical margin & opex factors excludes impact of removal of BSF affiliates from consolidation

Sales Volume

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- 1H10 domestic sales performance below industry whereas 2H10 generally above
- Drop in exports due to poor 1H10 margins and Kawasaki refinery turnaround in 2Q10
- Lower olefins volume mainly due to turnaround at TCC Kawasaki plant in 3Q10
- Actions throughout the year to maximize molecule value and optimize sales channels

Oil Products*

(KKL)		FY2009	**FY2010**	Inc./Dec.	Industry Inc./Dec. ****
Japan Inland Sales	Gasoline	10,418	**10,425**	+0.1%	+1.4%
	Kerosene	2,694	**2,620**	-2.8%	+0.7%
	Diesel fuel	2,903	**3,005**	+3.5%	+1.5%
	Fuel oil A	2,001	**1,922**	-3.9%	-3.6%
	Fuel oil C	1,385	**1,582**	+14.3%	-3.6%
	5 Major Fuels Total	19,401	**19,553**	+0.8%	+0.1%
	LPG and others	2,322	**2,326**	+0.2%	
	Sub Total	21,723	**21,879**	+0.7%	
	Exports**	5,570	**4,258**	-23.6%	
	Others***	3,398	**3,418**	+0.6%	
	G. Total	30,691	**29,555**	-3.7%	
Topper Utilization		**74%**	**70%**		**77%**

Notes:
* Consolidated and excluding Barter
** Excluding bond sales
*** Others include crude, product exchanges within ExxonMobil Japan Group, etc.
**** Data Source; METI Statistics

Chemical Products (Consolidated)

(Kton)			
Olefins and others (TCC)	1,615	**1,541**	-4.6%
Aromatics and others (TG)	807	**799**	-1.0%
Chemical Total	2,422	**2,341**	-3.4%

2011 Consolidated Earnings Forecast

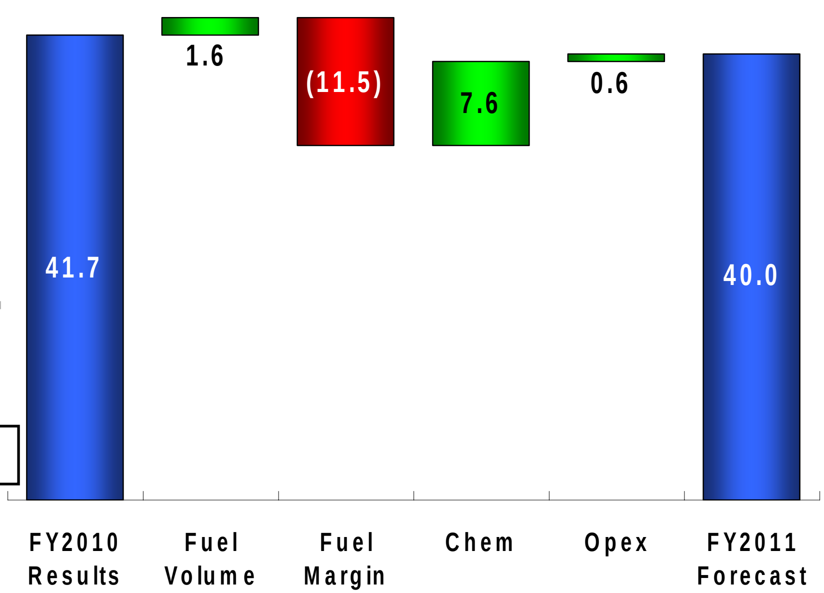
- 2011 operating income is projected to be 200 billion yen
  - » Includes 160 billion yen of inventory related gain from LIFO to WAC to be realized in 2011
- Adjusted oil segment operating income is projected to be 30 billion yen
  - » Lower refining margin in 2011 than 2010 due to 2011 weaker domestic demand in line with long-term trend
  - » Expect viable export opportunities to remain
- Adjusted chemical operating income is projected to be 10 billion yen
  - » Modest recovery in aromatics margins and absence of turnaround at TCC Kawasaki plant

(billion yen)	2011 Forecast 1H	2011 Forecast 2H	2011 Forecast FY	(Memo) FY'10
Net Sales	1,300	1,300	**2,600***	2,398.7
Operating income	178	22	**200**	33.5
Ordinary income	179	23	**202**	37.0
Extraordinary gain/loss	0	0	**0**	19.4
Net income	107	14	**121**	42.9
Reverse inventory effects	-158	-2	**-160**	0.2
Reverse lead lag effects	-	-	-	8.0
Adjusted operating income	20	20	**40**	41.7
Oil segment	15	15	**30**	39.7
Chemical segment	5	5	**10**	2.0

* Calculated based on 89 $/Bbl (Dubai), 83 ¥/$ <December 2010 average>

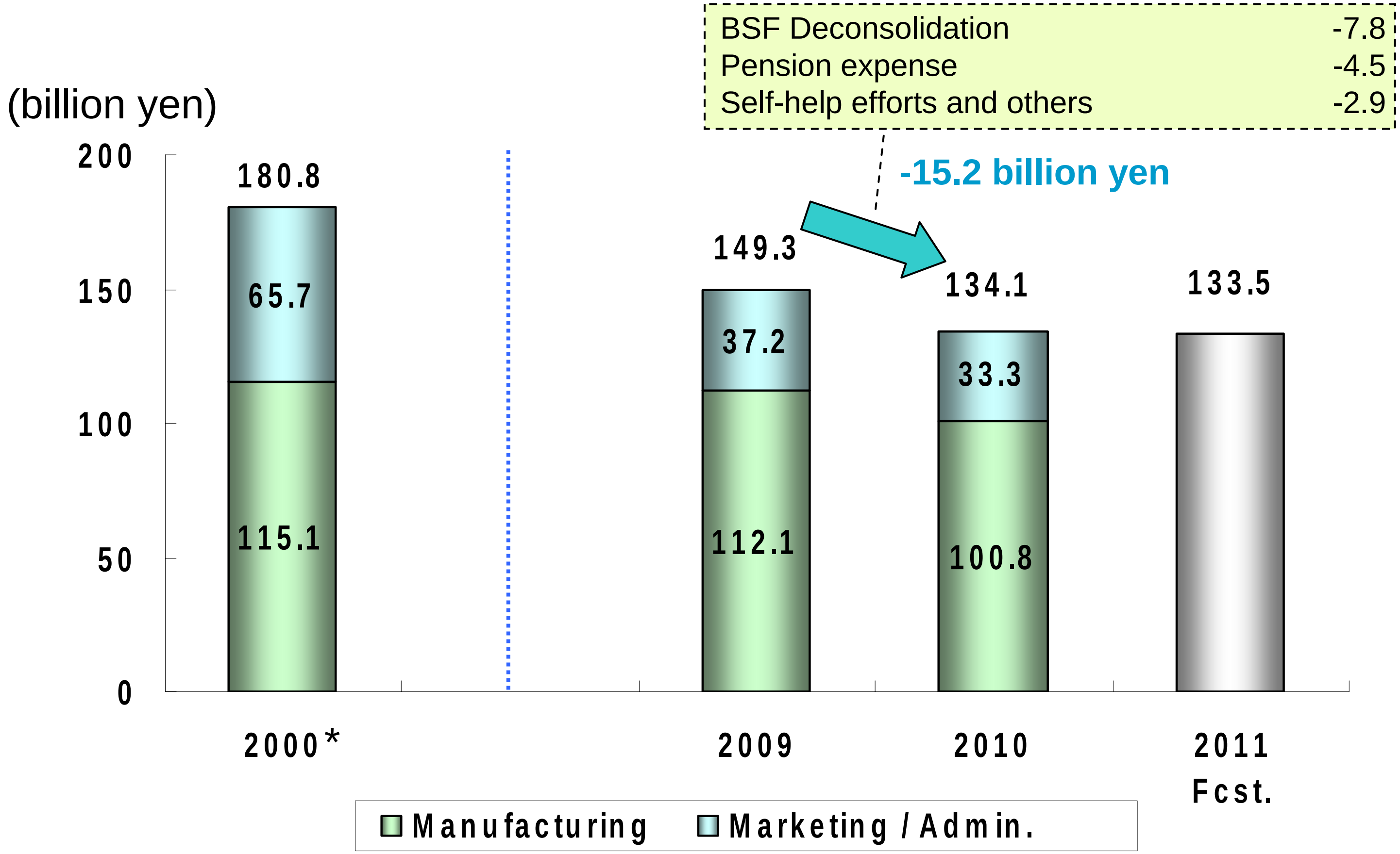
Factor Analysis of Adjusted Operating Income

[FY2011 Forecast vs. FY2010 Results]



Operating Expenses

- 2010 operating expenses 15.2 billion yen lower than 2009
  - » Excluding BSF de-consolidation (7.8 billion yen, solely on an accounting effect), 7.4 billion yen of real expense reduction mainly due to lower pension and self-help
- Since 2000, 3% per annum expense decline through relentless focus on expenses
- While 2011 forecast assumes near flat, continuous efforts to reduce expenses via on-going self-help



* Tonen+General (unaudited pro forma combined)

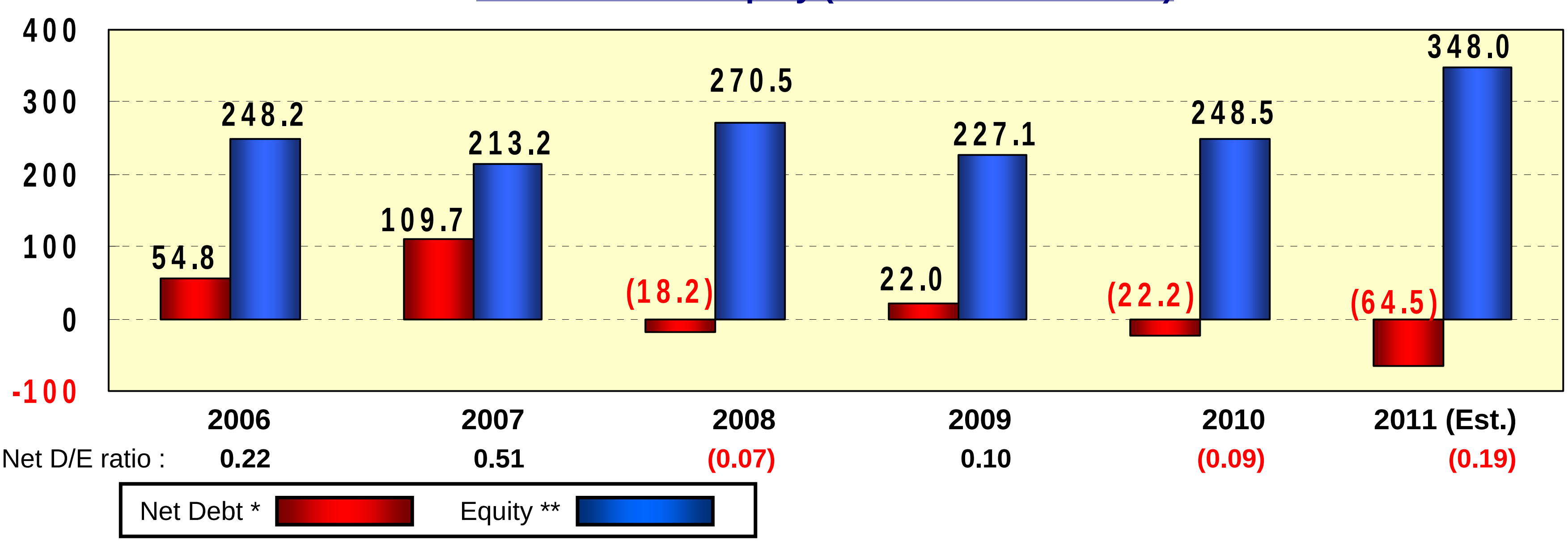
Cash Flows, Debt/Equity

(billion yen)	FY2010	
Operating Activities	**83.3**	
Net income before taxes		56.4
Income tax payment		-8.5
Depreciation		28.1
Change in working capital etc.		7.3
Investing Activities	**- 16.9**	
Financing Activities	**- 66.4**	
Decrease in net debt etc.		-44.9
Dividend to shareholders		-21.5

- Sustained ability to pay dividends
  - » 2010 free cash flow (cash flow from operating and investing activities) exceeds 3 times the annual dividend payment
- Earnings outlook results in growing net cash position in 2011

(billion yen)

Year-end Debt/Equity (2006 – 2011 estimate)



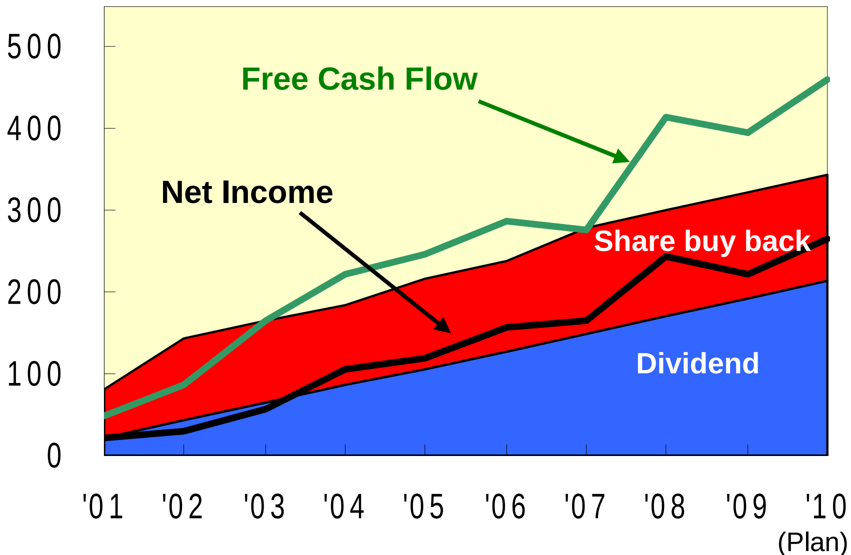
* Net debt excludes cash and loans receivable ** Net Worth excl. Minority Interest

Shareholders' Return

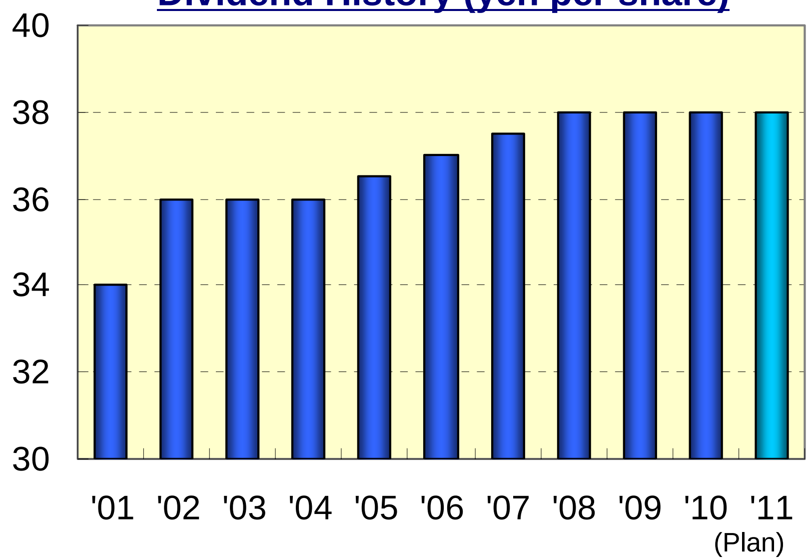
- Focus on shareholders
  - Company's wealth that is not otherwise required in a way that meets our rigorous profitability standards should be returned to shareholders
  - Cumulative (2001-2010) payout ratio vs. FCF and net income were 75% and 130%
  - Past 10 years, annual average return* to shareholders was around 7%, which outpaces TOPIX and TP-Oil
- Dividend in 2010
  - Plan to pay a full-year dividend of 38 yen per share (same as 2009)
- Dividend plan in 2011
  - Plan to pay a full-year dividend of 38 yen per share (same as 2010)
- Considerations for future distributions
  - Future tax payment for LIFO to WAC gain
  - Pension contributions
  - Regulatory capital expenditures
  - Future business margin environment

* Return includes change in share price and all dividends reinvested for 10 years

Free Cash Flow, Net Income and Distribution
(Cumulative, billion yen)

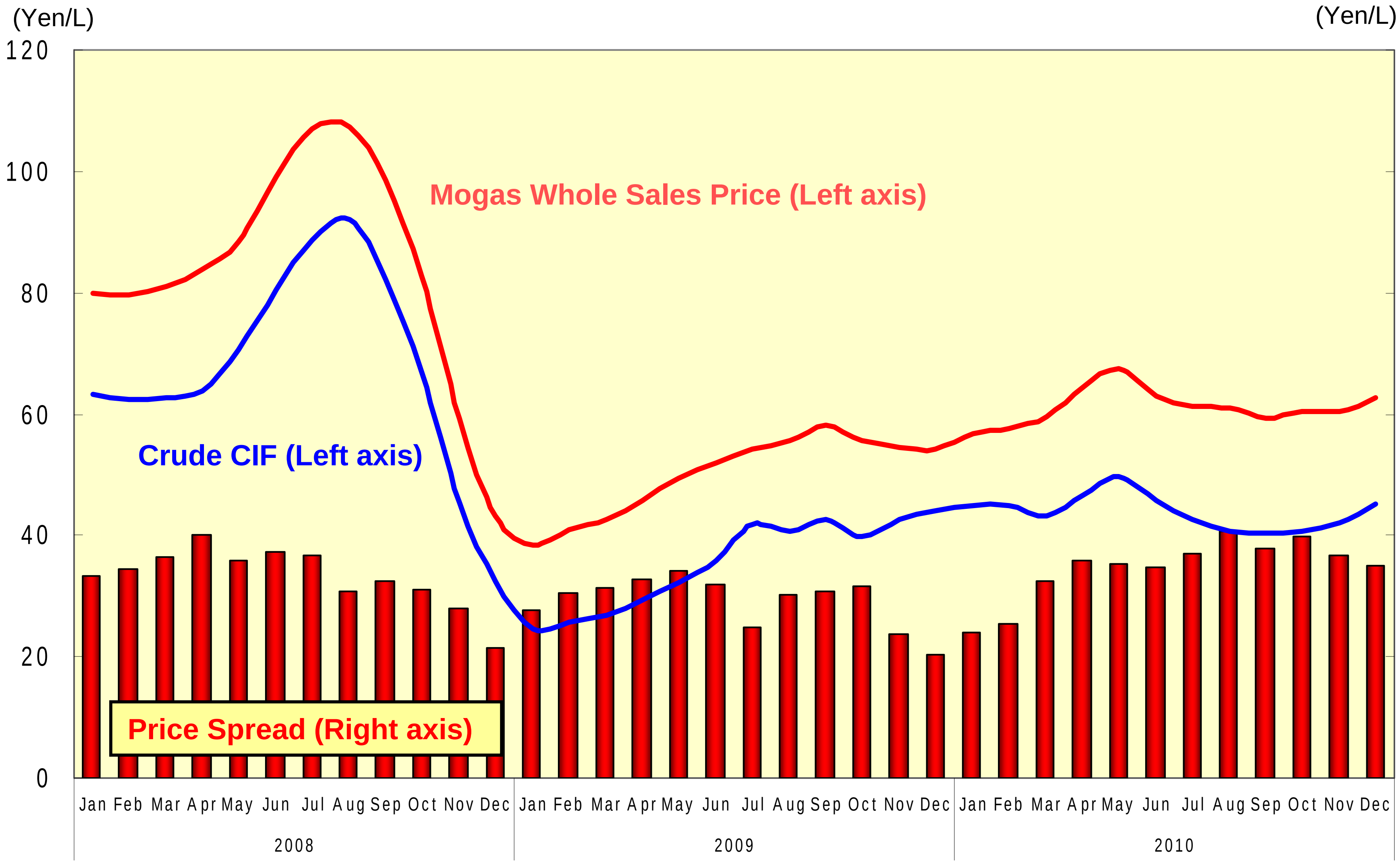


Dividend History (yen per share)



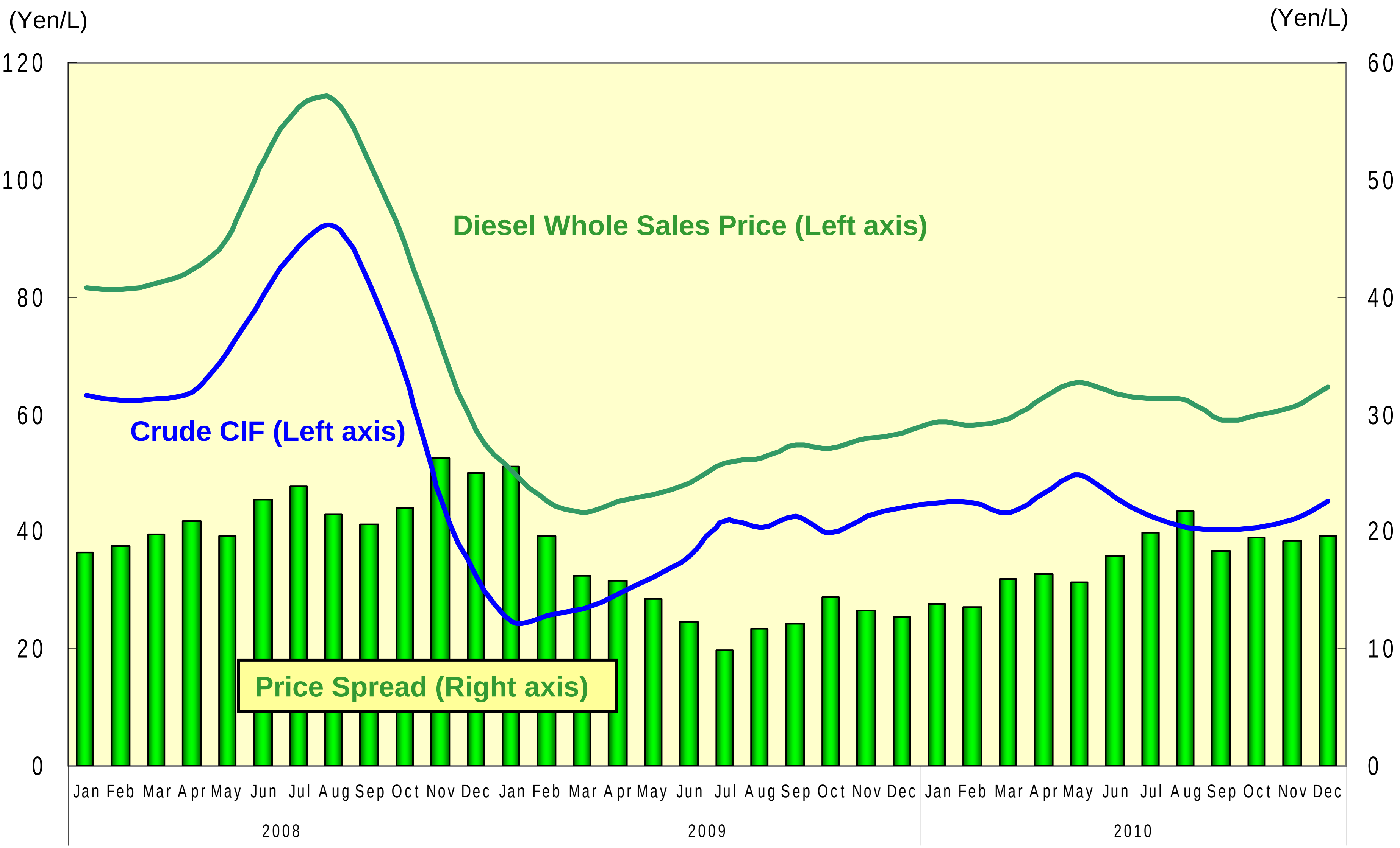
Supplemental Information

Price Spread (Mogas Wholesale Price vs. Crude CIF)



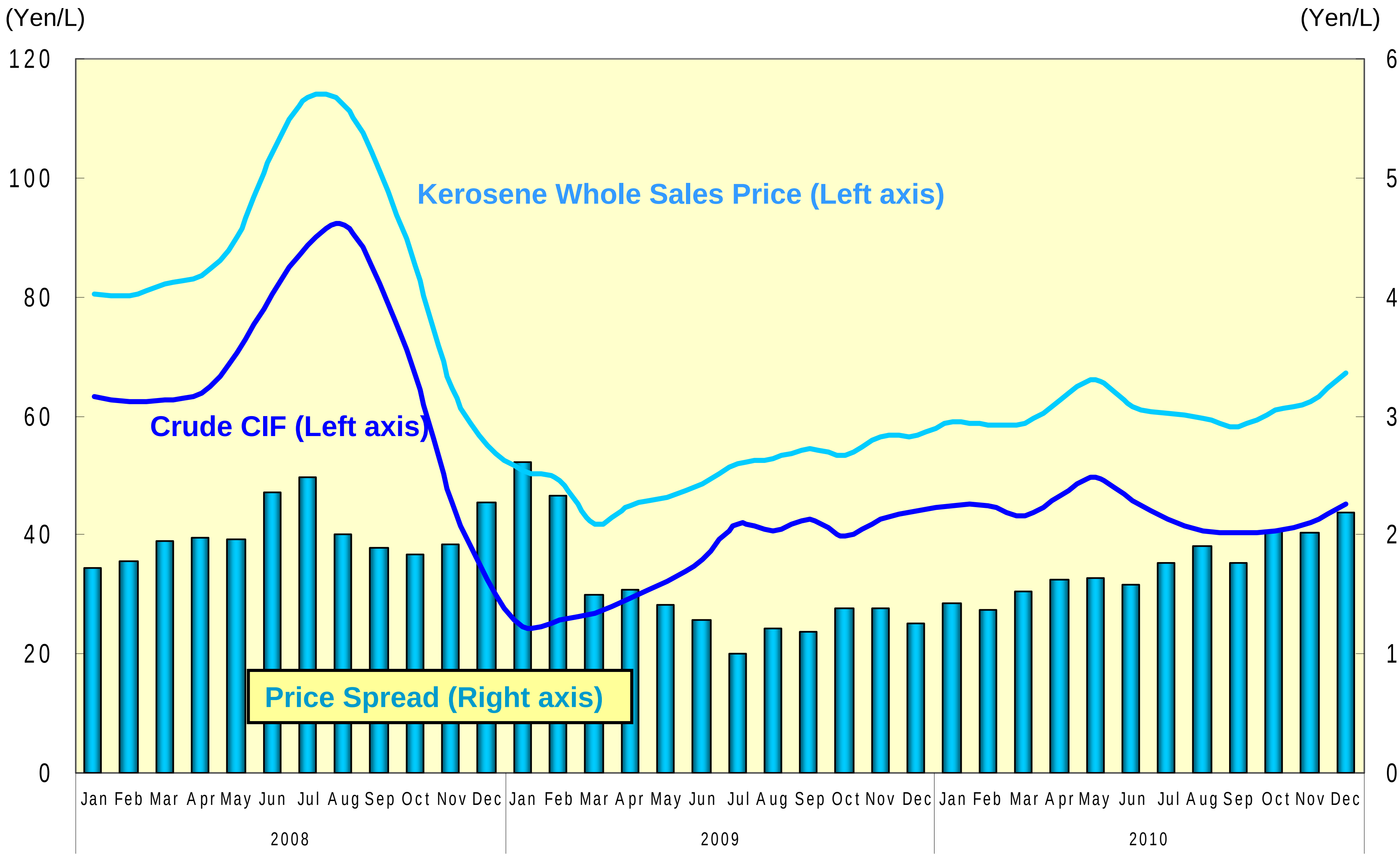
Source: PAJ and The Oil Information Center

Price Spread (Diesel Wholesale Price vs. Crude CIF)



Source: PAJ and The Oil Information Center

Price Spread (Kerosene Wholesale Price vs. Crude CIF)



Source: PAJ and The Oil Information Center

Details of Operating Income (2008 - 2010)

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2010

(Unit: billion yen)

Breakdown of Operating Income	1Q10	2Q10	3Q10	4Q10	FY2010	1H10	3Q10YTD
Oil segment and others (Substantial)	-4.8	2.3	24.1	18.1	39.7	-2.5	21.7
Chemical segment	6.4	1.3	-5.5	-0.3	2.0	7.8	2.3
Inventory effects	18.7	-9.4	4.0	-13.5	-0.2	9.3	13.3
Lead lag effects	-2.0	1.0	5.0	-12.0	-8.0	-1.0	4.0
Total	18.4	-4.7	27.6	-7.7	33.5	13.6	41.2

2009

Breakdown of Operating Income	1Q09	2Q09	3Q09	4Q09	FY2009	1H09	3Q09YTD
Oil segment and others (Substantial)	22.5	-7.4	-13.0	-12.9	-10.8	15.1	2.2
Chemical segment	-2.3	2.1	2.9	1.1	3.8	-0.2	2.7
Inventory effects	1.8	5.4	2.3	-2.1	7.4	7.2	9.5
Lead lag effects	-9.0	-24.0	5.0	-7.0	-35.0	-33.0	-28.0
Total	13.1	-23.9	-2.7	-21.0	-34.6	-10.9	-13.6

2008

Breakdown of Operating Income	1Q08	2Q08	3Q08	4Q08	FY2008	1H08	3Q08YTD
Oil segment and others (Substantial)	-11.4	-1.0	-14.9	35.5	8.2	-12.4	-27.3
Chemical segment	9.3	8.6	7.0	-11.0	13.9	17.9	24.9
Inventory effects	52.3	-32.7	13.0	-18.6	14.1	19.6	32.6
Lead lag effects	1.5	-40.0	43.0	70.0	74.5	-38.5	4.5
Gain related to divestment	11.0	-	-	-	11.0	11.0	11.0
Total	62.7	-65.0	48.1	76.0	121.7	-2.3	45.8